

## HOUSE JOINT RESOLUTION No. 1

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DIGEST OF HJ 1 (Updated January 24, 2008 9:09 am - DI 51)

**Citations Affected:** Article 10 of the Indiana Constitution.

**Synopsis:** Circuit breaker. Proposes an amendment to the state constitution to: (1) limit the maximum property taxes that may be imposed on property; and (2) specify that, subject to reasonable filing requirements, an exemption may be granted in the form of an deduction or credit. This proposed amendment has not been previously agreed to by a general assembly.

**Effective:** This proposed amendment must be agreed to by two consecutive general assemblies and ratified by a majority of the state's voters voting on the question to be effective.

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**Crawford, Espich**

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November 20, 2007, read first time and referred to Committee on Ways and Means.  
January 24, 2008, amended, reported — Do Pass.

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January 25, 2008

Second Regular Session 115th General Assembly (2008)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2007 Regular Session of the General Assembly.

## HOUSE JOINT RESOLUTION No. 1

A JOINT RESOLUTION proposing an amendment to Article 10  
of the Indiana Constitution concerning taxation.

*Be it resolved by the General Assembly of the State of Indiana:*

- 1 SECTION 1. The following amendment to the Constitution of the
- 2 State of Indiana is proposed and agreed to by this, the One Hundred
- 3 Fifteenth General Assembly of the State of Indiana, and is referred to
- 4 the next General Assembly for reconsideration and agreement.
- 5 SECTION 2. ARTICLE 10, SECTION 1 OF THE CONSTITUTION
- 6 OF THE STATE OF INDIANA IS AMENDED TO READ AS
- 7 FOLLOWS: Section 1. (a) **Subject to this section**, the General
- 8 Assembly shall provide, by law, for a uniform and equal rate of
- 9 property assessment and taxation and shall prescribe regulations to
- 10 secure a just valuation for taxation of all property, both real and
- 11 personal.
- 12 (b) **A provision of this section permitting the General Assembly**
- 13 **to exempt property from taxation also permits the General**

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1 **Assembly to exercise its legislative power to enact property tax**  
 2 **deductions and credits for the property. The General Assembly**  
 3 **may impose reasonable filing requirements for an exemption, a**  
 4 **deduction, or a credit.**

5 **(c)** The General Assembly may exempt from property taxation any  
 6 property in any of the following classes:

7 (1) Property being used for municipal, educational, literary,  
 8 scientific, religious, or charitable purposes.

9 (2) Tangible personal property other than property being held as  
 10 an investment.

11 (3) Intangible personal property.

12 (4) Tangible real property, including curtilage, used as a principal  
 13 place of residence by an:

14 (A) owner of the property;

15 (B) individual who is buying the tangible real property under  
 16 a contract; or

17 (C) individual who has a beneficial interest in the owner of the  
 18 tangible real property.

19 ~~(b)~~**(d)** The General Assembly may exempt any motor vehicles,  
 20 mobile homes, airplanes, boats, trailers, or similar property, provided  
 21 that an excise tax in lieu of the property tax is substituted therefor.

22 **(e) As used in this section, "homestead property" means real**  
 23 **property improvements or a mobile or manufactured home that is**  
 24 **owned (or is being purchased on contract) and used by an**  
 25 **individual as the individual's principal residence. The term**  
 26 **includes land on which the improvements or mobile or**  
 27 **manufactured home is situated not exceeding one (1) acre. The**  
 28 **term includes a principal residence that is owned by a trust in**  
 29 **which the individual has a beneficial interest.**

30 **(f) The maximum amount of property tax on any tangible**  
 31 **property may not exceed three percent (3%) of the property's**  
 32 **value as last assessed.**

33 **(g) As used in this subsection, "residential rental property"**  
 34 **means real property that is regularly rented for residential**  
 35 **purposes for periods of thirty (30) days or more. The maximum**  
 36 **amount of property tax on any residential rental property may not**  
 37 **exceed two percent (2%) of the property's value as last assessed.**

38 **(h) The maximum amount of property tax on homestead**  
 39 **property may not exceed one percent (1%) of the property's value**  
 40 **as last assessed.**

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## COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Joint Resolution 1, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said resolution be amended as follows:

Page 1, line 7, delete "The" and insert "**Subject to this section, the**".

Page 1, line 10, before "The" begin a new paragraph and insert:

**"(b) A provision of this section permitting the General Assembly to exempt property from taxation also permits the General Assembly to exercise its legislative power to enact property tax deductions and credits for the property. The General Assembly may impose reasonable filing requirements for an exemption, a deduction, or a credit.**

**(c)".**

Page 2, line 12, strike "(b)" and insert "**(d)**".

Page 2, line 15, delete "(c)" and insert "**(e)**".

Page 2, line 15, delete "subsection and subsection (f)," and insert "**section,**".

Page 2, line 22, delete "The General".

Page 2, delete lines 23 through 25.

Page 2, line 26, delete "(d)" and insert "**(f)**".

Page 2, line 29, delete "(e)" and insert "**(g)**".

Page 2, line 34, delete "(f)" and insert "**(h)**".

and when so amended that said resolution do pass.

(Reference is to HJR 1 as introduced.)

CRAWFORD, Chair

Committee Vote: yeas 22, nays 1.

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